

## Building Upon Activity, What May Be on the Horizon?

Over the last several years, state brownfields programs continued to mature as programs changed to meet the evolving needs of property owners and communities. At the same time, it is clear that the overall goals of state response programs remained the same by:

- Bringing a greater level of certainty to the cleanup and redevelopment process
- Establishing finality for cleanups, with liability relief and no further action mechanisms
- Offering incentives to property volunteers to help level the economic playing field between old brownfields and new greenfields

As this update demonstrates, states are putting many different, but equally effective, approaches in place to meet these goals and address the diverse challenges of brownfields reuse.

A number of states passed proposals that involved administrative efforts designed to fine-tune rules or refine processes that were already authorized. A few states continued to experiment with their program benefits, putting new incentives in place—sometimes, at significant levels—to facilitate the cleanup and redevelopment process. Several states are considering the benefits of linking a broader range of community development efforts, such as training initiatives, to brownfields situations. Other states have revised and streamlined their programs to make them more responsive and easier in which to participate. Finally, some states are working to document their VCP progress and benefits.

The approaches observed will provide the foundation upon which state response programs will continue to be built. This year's update points to several areas of activity to watch in the future: financing, program staffing, institutional controls, and broadening eligibility.

**Financing**—Financing brownfields cleanup continues to be a barrier to brownfields reuse. More than half the states have worked to address this issue by offering direct and indirect financing incentives. Direct financing tools include loans or grants, and indirect financing assistance includes tax abatements or credits, loan guarantees, and loss reserves. These efforts will continue, most likely in partnership with new and renewed federal incentives.

**Program Staffing**—One of the most significant issues will be the need for additional response program staff, as the opportunities made available to public and private property owners and cleanup volunteers become more apparent, and the role of the states is more widely recognized. This year, the level of brownfields reuse activity outpaced the capacity of the state staff assigned to administer response and voluntary programs. States will need to address these staffing issues as communities market more of their local properties to new users who need VCP action in a timely manner. Additionally,

as the use of institutional controls increases, the need for state monitoring of properties where these controls have been made a critical part of the cleanup remedy will also increase.

**Institutional Controls**—More and more states are allowing engineering and institutional controls to be incorporated into the cleanup remedy and are promoting them as a way to help bring remediation costs down and make properties more economically viable. In the coming years, as states recognize the important role of engineering and institutional controls in promoting property cleanup and reuse, they will also need to address their difficulties. These difficulties include: how to best define workable conditions and constraints; how to ensure that institutional controls will be maintained; and how to monitor them for compliance over time. Making sure that resources are committed for long-term monitoring and other property needs will become an important part of the overall state effort.

**Broadening Eligibility**—Several states have considered contaminant-related proposals. More states will identify ways to accept properties with a greater variety of contaminants into their programs, making it easier for private developers to work with these programs. States will also continue to work with their public participation and notification requirements, exploring strategies such as use of e-mail in the brownfields notification process.

